GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

APIIC Ltd - Incorporating an SPV Company by APIIC Ltd., initially as its 100% subsidiary company and equity investment in SPV Company for EMC-2 (Electronics Manufacturing Cluster) formed in extent of 501.40 Acs at Vikruthamala (V), Yerpedu (M), Chittoor District - Permission accorded - Orders - Issued.

INDUSTRIES & COMMERCE (INFRA) DEPARTMENT

G.O.MS.No. 21 Dated: 06-04-2020
Read:

From the VC&MD, APIIC Ltd., Single File No.APIIC-16/7/2019-CE I-ENGG WNG-APIIC, dt.25.02.2020.

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ORDER:

In the reference read above, the VC&MD, APIIC Ltd., has submitted that they are the implementation agency for setting up of the green field EMC at Vikrutamala (V) near Tirupati Airport for which final approval was accorded by MeitY (Ministry of Electronics & Information Technology, GoI) on 02.08.2017 with approved Project cost of 339.80 Crores wherein, the Grant-in-Aid component is 111.42 Crores. Since, the Project is under active implementation with all the infrastructure works going on, the MeitY has sanctioned the 1st instalment of the grant-in-aid of Rs.22,28,50,484/- during April 2018 and credited to APIIC escrow account on 09.05.2019. Accordingly, APIIC is spending the funds for the development of infrastructure being the chief promoter of the Project. APIIC has requested the MeitY on 08.01.2019 for release of the 2nd instalment of the Grant-in-aid amounting to Rs.33.246 Crores.

2. As per MeitY, GoI Order No.36(43)/2016-IPHW (Vol.VI), dt.02.08.2017 communicated to APIIC wherein, final approval was accorded under EMC Scheme for setting up of the green field EMC over the subject area, at Sec 2.5 the timeline for formation of SPV is (6) Months. As per Sec 8, APIIC shall ensure that the SPV is formed in full compliance of terms & conditions laid out in the 'Guidelines for constitution of Special Purpose Vehicle (SPV) for implementation of Electronics Manufacturing Clusters (EMCs), dt.30.01.2014 and Electronics Manufacturing Clusters Scheme, the Guidelines and any other instructions issued by MeitY from time to time. As such the 2nd instalment of the grant shall be credited to the SPV account.

3. In the Project Review Committee Meeting held on 06.01.2019 at MeitY, New Delhi, APIIC has sought exemption towards the formation of SPV and to deposit the grant-in-aid amount in to the APIIC account since, APIIC is spending all the infrastructure expenditure from its funds. Accordingly, permission was accorded by the PRC for APIIC to constitute SPV which can be 100% subsidiary of APIIC initially, to safe guard the interest of APIIC, to enable the drawl of the 2nd instalment of the Grant in Aid from MeitY GOI. The authorized/Paid-up/Subscribed Capital of the proposed SPV company would be Rs.10,00,000/- comprising of 1,00,000 (One Lakh) shares of Rs 10/- each.

(P.T.O.)

4. The VC&MD, APIIC Ltd., has therefore requested the Government to issue necessary orders permitting APIIC for the incorporation of an SPV company by APIIC initially as its 100% subsidiary company for EMC-2, with an initial investment of Rs.10,00,000/- and also stated that the Registrar of Companies are insisting for Government Order issued by GoAP permitting APIIC for formation of SPV.

5. Government, after careful examination of the proposal hereby permit the APIIC for incorporating an SPV Company initially as its 100% subsidiary company and equity investment in SPV Company for EMC-2 (Electronics Manufacturing Cluster) formed in extent of 501.40 Acs at Vikruthamala (V), Yerpedu (M), Chittoor District. The authorized/Paid-up/Subscribed Capital of the proposed SPV company would be Rs.10,00,000/- (Rupees Ten Lakhs only) comprising of 1,00,000 (One Lakh) shares of Rs.10/- each.

6. The Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., shall take necessary action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

RAJAT BHARGAVA
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., APIIC Tower, 9th to 11th Floors, Plot No.CFC-1, IT Park, Mangalagiri, Guntur District, A.P. – 522 503.

Copy to:
The P.S. to Hon'ble Minister (I&C, IT and SD), GoAP.
The P.S. to Spl.Chief Secretary to Govt & CIP, Ind & Com Dept, A.P. Secretariat.
SC/SF.

//FORWARDED BY: ORDER//

SECTION OFFICER